

## COMMITMENT FROM EUROSIF AND THE NATIONAL SUSTAINABLE INVESTMENT FORUMS

- Eurosif is responsible for maintaining and publicising the Transparency Code.
- Eurosif promotes received responses to the Code on its website.
- Eurosif maintains a “transparent” logo that is awarded to those funds complying with the Code and whose answers have been sent to Eurosif. Complying funds can use this logo in their marketing collateral, in accordance with the Logo Specifications Manual (see. [www.eurosif.org](http://www.eurosif.org)) and provided the Code is up to date.
- Eurosif commits to reviewing the Code. The process for reviewing the Code will be open and inclusive.

## ABOUT EUROSIF

The European Sustainable Investment Forum (Eurosif) is the leading European membership association whose mission is to develop sustainability through European financial markets.

Eurosif works as a non-for-profit partnership of the national Europe-based national Sustainable Investment Forums (SIFs) with the support and involvement of Member Affiliates.

Eurosif Member Affiliates include a range of organisations covering the value chain of the sustainable investment industry, from institutional investors, asset managers to financial services providers, ESG analysis firms, academic institutes and NGOs. Eurosif speaks authoritatively and broadly on SRI (sustainable and responsible investment) issues. The main activities of Eurosif are public policy, research and creating platforms for nurturing sustainable investing best practices. For more details, please see [www.eurosif.org](http://www.eurosif.org).

### National sustainable investment forums in Europe to date include:

- Belsif\*, Belgium
- Dansif, Denmark
- Finsif, Finland
- Forum Nachhaltige Geldanlagen\* (FNG) e.V., Austria, Germany and Switzerland
- Forum per la Finanza Sostenibile\*(FFS), Italy
- Forum pour l'Investissement Responsable\*(FIR), France
- Norsif, Norway
- Spainsif\*, Spain
- Swesif\*, Sweden
- UK Sustainable Investment and Finance Association\*(UKSIF), UK
- Vereniging van Beleggers voor Duurzame Ontwikkeling\*(VBDO), the Netherlands

\*Member of Eurosif

For further information on Eurosif or more details on the European SRI Transparency Code, please look at our website, [www.eurosif.org](http://www.eurosif.org) and contact Eurosif at +32 (0)2 274 14 35 or by email at [contact@eurosif.org](mailto:contact@eurosif.org).

Eurosif A.I.S.B.L.  
331, rue du Progrès, 1030 Brussels, Belgium  
Tel. : +32 (0)2 274 14 35  
[www.eurosif.org](http://www.eurosif.org)  
Follow us on: [www.twitter.com/Eurosif](https://twitter.com/Eurosif)

Disclaimer – Eurosif does not accept responsibility or legal liability for errors, incomplete or misleading information provided by signatories in their responses to the European SRI Transparency Code. Eurosif does not provide any financial advice nor endorse any specific funds, organizations or individuals.

# European SRI Transparency Code

Version 3



Eurosif



# European SRI Transparency Code

The European SRI Transparency Code (the Code) focuses on SRI funds distributed publicly in Europe and has been designed to cover a range of assets classes, such as equity and fixed income.

All information pertaining to the European SRI Transparency Code can be found at the following website: [www.eurosif.org](http://www.eurosif.org). The code comes with a Guidance Manual for fund managers on how to best use and respond to the Transparency Code. The present version of the Code has been approved by the Board of Eurosif on October 3, 2012.

## TWO KEY MOTIVATIONS UNDERPIN THIS CODE

1. The opportunity for retail SRI funds to clarify their SRI approach to investors and other stakeholders in an easily accessible and comparable format.
2. Proactively strengthen a self-regulation that contributes to the development and promotion of SRI funds by setting up a common framework for transparency best practices.

## GUIDING PRINCIPLE

Signatories to the Code should be open, honest and disclose accurate, adequate and timely information to enable stakeholders, in particular consumers, to understand the ESG<sup>1</sup> policies and practices of the fund.

## COMMITMENTS FROM SIGNATORIES

- The order and exact wording of the questions shall be respected;
- Responses should be informative and clear, and the resources and methodologies deployed should be described with as much detail and precision as possible;
- Funds should report data in the currency that they use for other reporting purposes;
- Reasons preventing the fund from providing all or part of the information to a given question should be clearly stated and, in such a case, signatories should state when they will be able to answer the question;
- Responses shall be updated at least on an annual basis and should have a precise publication date;
- Responses to the Code should be easily accessible from the fund's and/or fund manager's website. In any case, signatories should make it clear where to find the information required by the Code;
- Signatories are solely responsible for the answers to the questions, and should state this in their response;

**To clarify these commitments, signatories should include at the beginning of the response document the following two statements:**

### Statement of Commitment

Sustainable and Responsible Investing is an essential part of the strategic positioning and behaviour of COMPANYXXX. We have been involved in SRI since YEARXXX and welcome the European SRI Transparency Code.

This is our first, second...XXX statement of commitment and covers the period XXX to XXX. Our full response to the European SRI Transparency Code can be accessed below and is available in the annual report of the retail funds and on our web site.

### Compliance with the Transparency Code

FUNDMANAGERXXX is committed to transparency and we believe that we are as transparent as possible given the regulatory and competitive environments that exist in the countries in which we operate. COMPANYXX meets the full recommendations of the European SRI Transparency Code with the exception of QUESTIONXX & YY. If the full recommendations are not met, please state then if and when you hope to comply with the questions you cannot answer at this time.

DATEXXX

## CODE CATEGORIES

Section 1 - Basic Details	
<b>The Fund Management Company</b>	
1a	<b>Provide the name of the fund management company managing the fund(s) to which this code apply.</b> Provide general information about The Fund Management Company managing the fund(s) to which this code apply (eg. name, address, website...).
1b	<b>Describe the general approach of the fund management company with regards to how it takes environmental, social and governance (ESG) criteria into consideration.</b> <ul style="list-style-type: none"> <li>• Is the fund management company approach towards ESG criteria aligned or inspired by its corporate social responsibility approach? Yes/No. If yes, insert a link to the company's CSR policy. If not, explain why not.</li> <li>• Has the fund management company signed the Principles for Responsible Investment? If yes, please insert the link to the answer to the PRI questionnaire. If not, explain why not.</li> <li>• Is the fund Manager a signatory or a member of other international and/or national initiatives supporting SRI practices? Please answer if you deem this information to be useful.</li> <li>• Has the fund management company established an ESG engagement policy? If yes, describe the policy by outlining its objectives and its methodology and/or, if it is public, insert a link to the policy. If not, explain why not.</li> <li>• Has the fund management company established a voting policy? If yes, describe the policy by outlining its objectives and its methodology and/or, if it is public, insert a link to the policy. If not, explain why not.</li> <li>• Describe how the fund management company or the group contributes to the promotion and the development of SRI.</li> </ul>
1c	<b>Describe/List your SRI products and the specific resources allocated to your SRI activities.</b> <ul style="list-style-type: none"> <li>• Briefly describe the SRI fund range (number, assets under management, strategies...)</li> <li>• Describe/Detail the resources allocated by the fund management company (organisation, ESG research internal/external, dedicated portfolio management team,...) and indicate where this information is available.</li> </ul>
1d	<b>Describe the content, frequency and resources allocated/used by the fund management company to inform investors about the ESG criteria taken into account.</b>
<b>The SRI Fund(s)</b>	
1e	<b>Provide the name of the fund(s) to which this Code applies and its (their) main characteristics</b> Describe the main characteristics of the fund(s): geographical focus, asset class, SRI strategy used (use the classification provided by Eurosif/EFAMA).
1f	<b>What is (are) this (these) fund(s) trying to achieve through taking into account ESG criteria?</b> <ul style="list-style-type: none"> <li>• For instance, financing a specific sector, reducing risks, support better CSR practices, develop new value creation opportunities, other objectives.</li> <li>• If part of the fund(s) assets is invested in unlisted organisations with high social, community or impact investing relevance, please specify.</li> </ul>

Section 2. Approach to ESG Evaluation of Companies	
2a	<b>What fundamental principles underlie the ESG research methodology?</b> Describe the principles, standards or norms on which the ESG analysis is based for each of the environmental, social/societal and governance dimensions. Include brief comments about how stakeholders are consulted, as appropriate.
2b	<b>What internal and external resources are used to carry out this research?</b> Describe the general information used to carry out the ESG research: internal analysis, ESG rating agencies, other external sources of information.
2c	<b>Which ESG analysis criteria are used?</b> Indicate what the main criteria for each of the environmental, social/societal and governance dimensions are. Specify if these criteria differ according to sectors, the geographical zones, the type of company,... If appropriate, provide an example.
2d	<b>What is your ESG analysis and evaluation methodology (how the investment universe is built, rating system,...)?</b> Describe the ESG evaluation/rating system and how it is built by explaining how the various ESG criteria are articulated. If appropriate, provide an example.
2e	<b>How frequently is the ESG evaluation reviewed?</b> Please briefly explain the methodology update process and who is involved. If appropriate, explain if the methodology has changed in the past 12 months and the nature of the key changes.

Section 3. Fund Management Process	
3a	<b>How do you take into account ESG criteria when defining the universe of eligible investments ?</b> If appropriate, describe the eligibility threshold and the resulting level of selectivity.
3b	<b>How do you take ESG criteria into account into the portfolio construction?</b> Describe how you link ESG selection with the financial analysis or with portfolio management. More precisely, describe how the results of the analysis of each of the dimensions (E, S and G) are integrated into the investment / divestment process. If applicable, state where you provide information on divestments occurred in the past year on the basis of ESG criteria? If appropriate, explain how potential ESG weightings are defined and describe your treatment of companies that are not subjected to an ESG analysis.
3c	<b>Does (do) the fund(s) have a specific ESG engagement policy?</b> Please explain what you mean by engagement. Describe how you select the companies/themes for engagement activities and the impact on the portfolio management of the fund(s). Who undertakes engagement on behalf of the fund (internal and/or service providers)?
3d	<b>Does (do) the fund(s) have a specific voting policy integrating ESG criteria?</b> Yes/No
3e	<b>Does (do) the fund(s) engage in securities lending activities?</b> If yes, (i) is a policy to recall the securities in place in order to exercise the voting rights ? (ii) does the counterparty selection process integrate ESG criteria ?
3f	<b>Does (do) the fund(s) use derivative instruments?</b> If yes describe, (i) their nature (ii) the objective(s) (iii) the potential limits in terms of exposure (iv) if appropriate, their impact on the SRI quality of the fund
3g	<b>Is a share of the fund(s) invested in unlisted entities pursuing strong social goals?</b> If yes, please provide a brief description of the objective(s) of this investment, in no more than one or two sentences.

Section 4. Controls and ESG Reporting	
4a	<b>What internal/external control procedures are in place to ensure the compliance of the portfolio with the ESG rules defined in section 3 of this Code?</b> State who is carrying out the controls, their frequency and within which timeframe the fund(s) have to comply should a breach be detected.
4b	<b>Please list all public media and documents used to inform investors about the SRI approach to the fund, and include URLs. This should include a link to the detailed, no more than 6 months old, list of holdings of the fund(s).</b> <ul style="list-style-type: none"> <li>Prospectus</li> <li>(semi-) Annual report</li> <li>Addendums</li> <li>KIID</li> <li>Fund Fact Sheet</li> <li>Dedicated SRI Web page(s) at company / fund level (if applicable)</li> <li>Engagement/voting policy/votes (if applicable)</li> <li>Link to Web page of ESG Analysis provider(s) (if applicable)</li> <li>URL to the research findings that are available to investors (if appropriate)</li> <li>Detailed fund holdings (no more than 6 months old)</li> <li>CSR Policy of the Company I (if applicable)</li> <li>Other (please list):</li> </ul>

Additional

If applicable, specify what the amount of donations and the percentage of management fees that the fund gave to charities in the last year.

<sup>1</sup> ESG stands for Environmental, Social and Governance.